

***Utilization Statistics
for the
North Carolina Health Choice
Program***

October 2001 through September 2004

***Actuarial and Underwriting
December 23, 2004***



**BlueCrossBlueShield
of North Carolina**

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Blue Cross and Blue Shield Association

NC Health Choice Annual Utilization Study October 2001 through September 2004

Introduction

This document provides health care cost and utilization data for members of the North Carolina Health Choice (NCHC) group for services incurred from October 2001 through September 2004. The data have not been adjusted for outstanding claims.

Norms are based on all State of North Carolina Teachers' and State Employees' Comprehensive Major Medical Plan members under age 19. Norms have not been age and sex adjusted.

Selected inpatient utilization rate and charge statistics exclude admission data with a length of stay greater than 30 days or allowed charges greater than \$60,000. However, payment data include these admissions. Table 17 lists the costly admissions (admissions incurring more than \$50,000 in payments).

Because there were so few members in the Extended Coverage segment, no rates have been calculated for them, neither are their utilization and cost behaviors analyzed. However, their data are included in the tables.

Summary

Demographics

The average monthly enrollment from October 2003 through September 2004 (FY 2004) was 118,355 members. Non-Copay members comprised 61 percent of this total. The sex distribution of both segments was about half male and half female. Almost half (46 percent) of all members were between 6 and 12 years old. Half of the members were white (50 percent), while 32 percent were African-American.

Membership rose 16 percent above that of FY 2003 (October 2002 through September 2003).

Inpatient Utilization and Average Charges

Inpatient utilization decreased slightly during FY 2004. Overall, utilization was below the norm due to the large number of newborn admissions included in the norm.

The average charge per admission increased for the Non-Copay segment and remained stable for the Copay segment. The average charge per day, however, decreased for the Non-Copay segment and was stable for the Copay segment.

Respiratory diseases was the most common diagnostic category, accounting for close to one-fifth of all admissions. Injury and poisoning, digestive diseases, mental disorders, and endocrine diseases each accounted for 10 percent or more of admissions.

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Outpatient Utilization and Average Charges

Utilization rates for the total group were fairly stable and exceeded the norm in the hospital outpatient and emergency department settings in FY 2004. On the other hand, utilization by the total group fell slightly and was below the norm in the ambulatory surgery setting.

In the emergency room setting, the emergent, urgent, and non-urgent utilization rates were well above their norms. In both the hospital outpatient and emergency room settings, the average charge per visit for the total group was significantly lower than the norm, while the group's average ambulatory surgery charge was higher than the norm.

Office Visit Utilization and Average Charges

The office visit utilization rate remained stable for both primary care providers and specialists. Utilization was comparable to the norm for the primary care setting, but slightly above the norm for the specialist setting. On the other hand, the average charge per visit was less than the norm for primary care visits, but greater than the norm for specialist visits.

Overall, outpatient utilization of mental health services was greater than the norm. Visit rates for mental health, alcohol abuse and drug abuse each declined.

Payments

Payments per member per month increased in FY 2004 to \$127 and were significantly higher than the norm. As this is preliminary data which has not been adjusted to account for outstanding claims, it is to be expected that payments and utilization will continue to rise for several months.

Institutional payments were stable for both the Non-Copay and Copay segments. For both segments, institutional payments were well above the norm.

Professional payments were stable for the Non-Copay segment and increased for the Copay segment. Professional payments were higher than the norm.

Payments for mental disorders, nervous system diseases, respiratory diseases, digestive diseases, ill-defined conditions, injury and poisoning, and "other" (including drugs) were all higher than the norm. Since NC Health Choice does not cover pregnancy, payments for perinatal conditions and congenital anomalies were well below the norm.

Costly admissions (admissions which incurred payments greater than \$50,000) accounted for over \$1 per member per month.

Table 1
NC Health Choice
Demographics - Average Annual Enrollment
October 2003 through September 2004

Age Groups

	<u>Non-Copay</u>	<u>Copay</u>	<u>Ext Coverage</u>	<u>Total</u>
0	6	102	0	108
1 - 5	10,447	15,302	21	25,770
6 - 12	36,702	18,293	37	55,032
13 - 18	24,914	12,210	30	37,154
19 +	207	86	1	294
Total	72,277	45,992	88	118,355

Gender

	<u>Non-Copay</u>	<u>Copay</u>	<u>Ext Coverage</u>	<u>Total</u>
Female	35,689	22,601	43	58,333
Male	36,587	23,391	44	60,022
Total	72,277	45,992	88	118,355

Ethnicity

	<u>Non-Copay</u>	<u>Copay</u>	<u>Ext Coverage</u>	<u>Total</u>
Asian	1,133	664	1	1,798
Black	25,167	12,372	13	37,552
Hispanic	6,978	4,869	3	11,850
Indian	1,243	823	1	2,066
White	34,193	24,936	64	59,194
Other	3,354	2,171	5	5,530
Unknown	208	158	0	366
Total	72,277	45,992	88	118,355

Note: manual calculations may not yield the displayed totals due to rounding.

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Table 2
NC Health Choice
Demographics - Percentage of Membership
October 2003 through September 2004

Age Groups

	<u>Non-Copay</u>	<u>Copay</u>	<u>Ext Coverage</u>	<u>Total Group</u>
0 years	0%	0%	0%	0%
1 - 5 years	14%	33%	24%	22%
6 - 12 years	51%	40%	42%	46%
13 - 18 years	34%	27%	34%	31%
19 + years	0%	0%	1%	0%

Gender

	<u>Non-Copay</u>	<u>Copay</u>	<u>Ext Coverage</u>	<u>Total Group</u>
Female	49%	49%	49%	49%
Male	51%	51%	51%	51%

Ethnicity

	<u>Non-Copay</u>	<u>Copay</u>	<u>Ext Coverage</u>	<u>Total Group</u>
Asian	2%	1%	1%	2%
Black	35%	27%	15%	32%
Hispanic	10%	11%	4%	10%
Indian	2%	2%	1%	2%
White	47%	54%	73%	50%
Other	5%	5%	6%	5%

Figure 1: Membership Distribution by Age

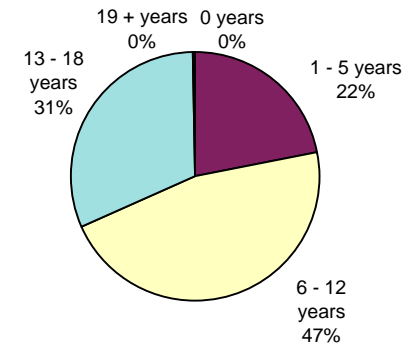
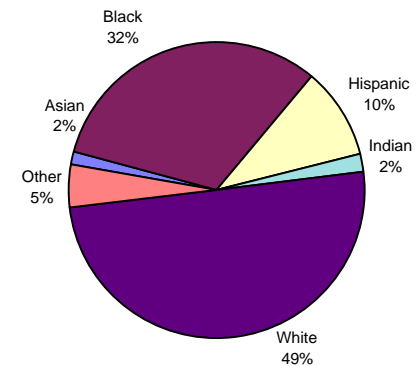
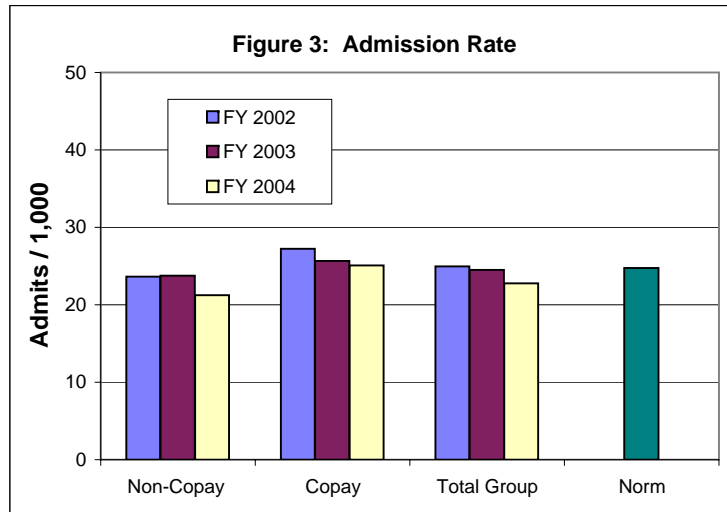


Figure 2: Membership Distribution by Ethnicity



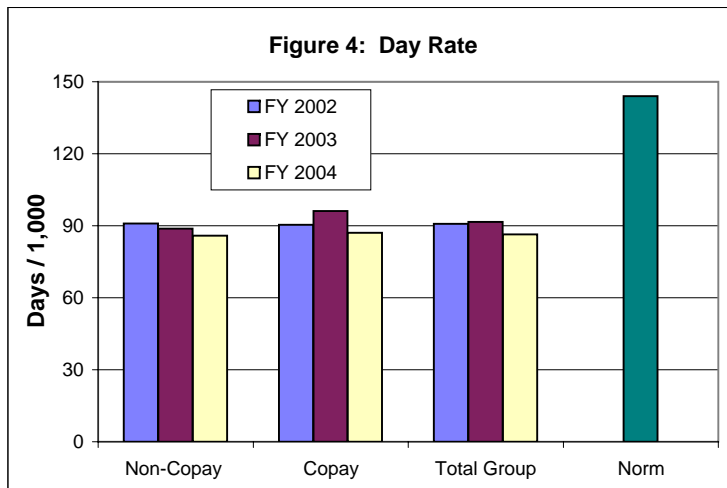
NC Health Choice Inpatient Utilization October 2001 through September 2004



The admission rate for the total group fell 7 percent to 22.8 admissions per 1,000 members (Table 3). The rate was 8 percent below the norm

The admission rate for the Copay segment remained stable at 25.1 admissions per thousand, while that of the Non-Copay segment decreased 11 percent to 21.2. The rate for the Copay segment was comparable to the norm, while that of the Non-Copay segment was less than the norm.

Respiratory diseases accounted for nearly one-fifth of all admissions (Table 4), which was above the norm. Admission rates for all disease categories were fairly stable between 2003 (data not shown) and 2004. Admission rates were below the norm for pregnancy and perinatal conditions (no admissions during FY 2004) due in part to more restrictive coverage conditions imposed on Health Choice members.



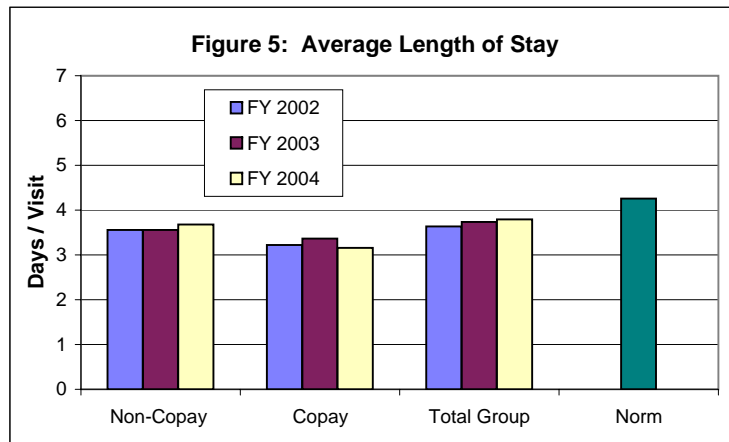
The day rate for the total group decreased 6 percent to 86.4 hospital days per 1,000 members. The rate was 40 percent below the norm

The day rate for the Non-Copay segment decreased 3 percent to 85.8 days per 1,000 members, and the Copay segment decreased 9 percent to 87.1 days per 1,000.

A large number of complicated births elevated the State dependents' day rate far beyond that of Health Choice. (Births are not covered by Health Choice).

Since this is preliminary data, it is to be expected that 2004 utilization rates will rise over the next several months.

NC Health Choice Inpatient Utilization October 2001 through September 2004



The average length of stay for the total group remained stable at 3.8 hospital days per visit. The rate was 11 percent below the norm.

The average length of stay increased 3 percent to 3.7 days for the Non-Copay segment and decreased 6 percent to 3.2 days for the Copay segment. Although the average length of stay for the Non-Copay segment was higher than for the Copay segment, they were both below the norm.

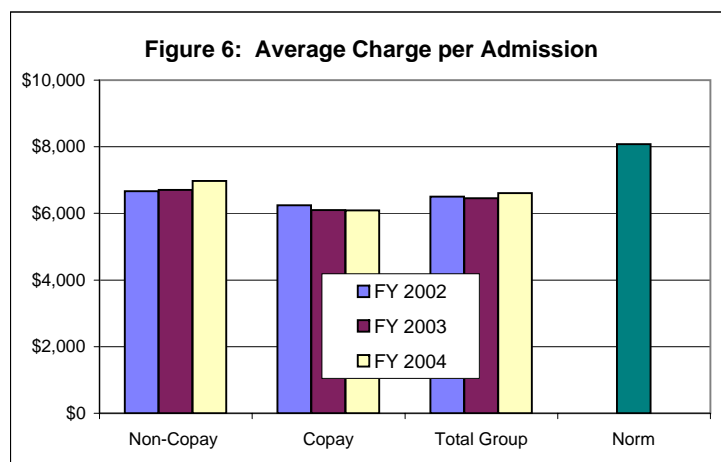
Although admissions longer than 30 days are excluded from the average length of stay, admissions for newborns and infants, which were shorter than the limit, but lengthy nonetheless have elevated the ALOS for the State dependents.

As in each previous fiscal year, UNC Hospitals had the most admissions in FY 2004 (Table 5). UNC also had the highest average length of stay among North Carolina hospitals, and Duke University Medical Center had the highest average charge.

Mecklenburg County had the highest number of admissions as well as the greatest membership (Table 6). Among counties with more than 10 admissions, Transylvania county had the greatest average length of stay (8.5 days) and Lincoln county had the highest average allowed charge (\$13,942 per admission).

For the total group, the inpatient utilization rates for mental disorders increased slightly for acute care hospitals (Table 7) and decreased for psychiatric facilities (Table 8). Non-Copay members have shifted utilization from psychiatric facilities into acute care institutions. For the Copay segment, the admission rate to each type of facility increased. Generally, utilization was well above the norm in the acute care setting, and was more than double the norm in the specialty psychiatric setting.

NC Health Choice Inpatient Charges October 2001 through September 2004

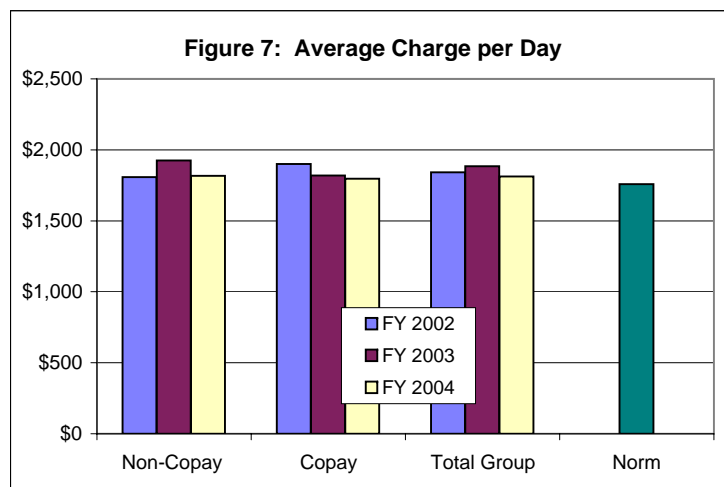


The average charge per admission during FY 2004 remained stable at \$6,604, but remained well below the norm (Table 3).

The average charge increased 4 percent for the Non-Copay segment, but remained stable for the Copay segment.

As noted earlier, of the counties with at least 11 admissions, Lincoln county had the highest average charge per admission. Anson County had the lowest (Table 6).

The average charge per mental health admission fell 9 percent for acute care hospitals and was well below the norm (Table 7). Among psychiatric hospitals, the average charge remained stable, but was above the norm (Table 8). In the latter setting, the average charge per admission increased significantly for Copay members.



The average charge per day decreased 4 percent to \$1,813 (Table 3). This was percent above the norm.

The average charge per day decreased for the Non-Copay segment, but remained stable for the Copay segment in FY 2004

Among acute care hospitals, the average charge per day for psychiatric admissions decreased in FY 2004 (Table 7). Both segments contributed to this decrease. It was lower than the norm. The average charge per day at psychiatric hospitals increased and was similar to the norm (Table 8). The increased average charge per day in this setting was attributable to the Non-Copay segment.

Table 3
NC Health Choice
Inpatient Utilization and Charge Statistics, Acute-Care General Hospitals
October 2001 through September 2004

		<u>Participants</u>	<u>Admissions</u>	<u>Days</u>	<u>Admissions/ 1000</u>	<u>Days/ 1000</u>	<u>Average Length of Stay ¹</u>	<u>Average Charge/Adm. ^{2,3}</u>	<u>Average Charge/Day ^{2,3}</u>
Non-Copay	FY 2002	50,391	1,191	4,583	23.6	90.9	3.6	\$6,667	\$1,807
	FY 2003	63,730	1,515	5,661	23.8	88.8	3.6	\$6,709	\$1,926
	FY 2004	72,277	1,535	6,204	21.2	85.8	3.7	\$6,970	\$1,818
Copay	FY 2002	28,934	788	2,615	27.2	90.4	3.2	\$6,240	\$1,900
	FY 2003	38,259	982	3,676	25.7	96.1	3.4	\$6,095	\$1,819
	FY 2004	45,992	1,153	4,004	25.1	87.1	3.2	\$6,094	\$1,797
Ext Coverage	FY 2002	75	3	12	40.0	159.8	4.0	\$8,843	\$2,211
	FY 2003	93	5	8	54.0	86.3	1.6	\$2,441	\$1,526
	FY 2004	88	5	13	57.0	148.3	2.6	\$12,167	\$4,679
Total Group	FY 2002	79,400	1,982	7,210	25.0	90.8	3.6	\$6,501	\$1,842
	FY 2003	102,082	2,502	9,345	24.5	91.5	3.7	\$6,459	\$1,883
	FY 2004	118,357	2,693	10,221	22.8	86.4	3.8	\$6,604	\$1,813
Norm		--	--	--	24.8	143.9	4.3	\$8,080	\$1,758

¹ Excludes cases in which length of stay is greater than 30 days.

² Includes both institutional charges (DRG prices) and professional charges (allowed charges).

³ Excludes cases in which total charges exceed \$60,000.

Note: All data are based on the date of service and not the claims paid date.

Table 4
NC Health Choice
Inpatient Utilization Statistics by Diagnostic Classification
Acute Care Hospitals
October 2003 through September 2004

	<u>Admissions per 10,000</u> <u>Members</u>		<u>Percentage of Total</u> <u>Admissions</u>	
	<u>NCHC</u>	<u>Norm</u>	<u>NCHC</u>	<u>Norm</u>
INFECTIOUS AND PARASITIC DISEASE	13.7	11.4	6.0%	4.6%
NEOPLASM	8.4	5.0	3.7%	2.0%
ENDOCRINE,NUTRITIONAL,METABOLIC, IMMUNITY	22.1	15.3	9.7%	6.2%
BLOOD & BLOOD FORMING ORGANS	5.9	5.8	2.6%	2.3%
MENTAL DISORDERS	29.0	14.5	12.8%	5.9%
NERVOUS SYSTEM & SENSE ORGANS	5.8	7.0	2.6%	2.8%
CIRCULATORY SYSTEM	2.6	3.8	1.1%	1.5%
RESPIRATORY SYSTEM	42.2	37.6	18.6%	15.2%
DIGESTIVE SYSTEM	24.7	18.5	10.9%	7.5%
GENITOURINARY SYSTEM	10.1	7.1	4.4%	2.9%
PREGNANCY, CHILDBIRTH, PUERPERIUM	2.9	21.8	1.3%	8.8%
DISEASES OF THE SKIN & SUBCUTANEOUS TISSUE	6.3	2.4	2.8%	1.0%
DISEASES OF THE MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE	5.7	5.1	2.5%	2.1%
CONGENITAL ANOMALIES	3.9	12.3	1.7%	5.0%
SYMPTOMS, SIGNS & ILL DEFINED CONDITIONS	12.9	47.5	5.7%	19.2%
INJURY & POISONING	30.3	11.4	13.3%	4.6%
OTHER	0.9	20.5	0.4%	8.3%

Table 5
NC Health Choice
Top 25 Most Frequently Used Hospitals
October 2003 through September 2004

	<u>Number of Admissions</u>	<u>Average Length of Stay</u>	<u>Average Allowed Charge per Admission</u>
U N C HOSPITALS	213	6.20	\$9,003
NORTH CAROLINA BAPTIST HOSPITAL	210	4.46	\$10,181
MISSIONS HOSPITAL INC	180	4.92	\$6,109
DUKE UNIVERSITY HOSPITAL	122	4.62	\$10,944
CAROLINAS MEDICAL CENTER	119	4.73	\$9,344
MOSES H CONE MEMORIAL HOSPITAL	115	4.37	\$3,665
PITT COUNTY MEMORIAL HOSPITAL	91	4.80	\$8,607
CAPE FEAR VALLEY MEDICAL CENTER	85	2.94	\$3,159
WAKEMED RALEIGH CAMPUS	84	3.08	\$4,585
FRYE REGIONAL MEDICAL CTR	74	6.03	\$4,234
GASTON MEMORIAL HOSPITAL	55	4.22	\$3,885
NEW HANOVER REGIONAL MEDICAL CENTER	55	3.02	\$5,760
PRESBYTERIAN HOSPITAL	50	4.24	\$6,211
WAYNE MEMORIAL HOSPITAL	48	2.63	\$3,487
DAVIS MEDICAL CENTER	46	2.07	\$2,355
NORTHEAST MEDICAL CENTER	46	3.04	\$3,888
OUT OF STATE	42	8.62	\$5,637
SOUTHEASTERN REGIONAL MEDICAL CENTER	42	2.81	\$3,404
WATAUGA MEDICAL CENTER	42	2.36	\$3,193
UNION REGIONAL MEDICAL CENTER	41	2.05	\$3,153
LENOIR MEMORIAL HOSPITAL	32	2.09	\$3,286
CARTERET GENERAL HOSPITAL	31	2.71	\$2,176
RANDOLPH HOSPITAL	30	2.43	\$3,602
HARRIS REGIONAL HOSPITAL	29	2.10	\$2,870
HIGH POINT REGIONAL HOSPITAL	29	1.79	\$4,043
ALL OTHER HOSPITALS	782	2.67	\$3,557

Table 6
NC Health Choice
Utilization by County of Residence
October 2003 through September 2004

<u>County</u>	<u>Members</u>	<u>Admissions</u>	<u>Average Length of Stay</u>	<u>Average Charge per Admission</u>
ALAMANCE	1,889	42	4.4	\$6,115
ALEXANDER	567	12	3.0	\$4,525
ALLEGHANY	219	4	2.5	\$2,695
ANSON	413	13	1.8	\$2,561
ASHE	582	20	3.1	\$6,871
AVERY	394	25	2.2	\$3,422
BEAUFORT	808	17	2.7	\$4,809
BERTIE	377	8	2.6	\$3,635
BLADEN	718	15	2.7	\$9,788
BRUNSWICK	1,527	32	3.4	\$6,169
BUNCOMBE	3,649	104	5.0	\$11,024
BURKE	1,237	35	3.7	\$6,804
CABARRUS	1,889	47	4.2	\$9,254
CALDWELL	977	28	2.8	\$4,550
CAMDEN	138	2	3.5	\$10,213
CARTERET	976	36	3.1	\$4,749
CASWELL	356	9	2.6	\$3,604
CATAWBA	2,298	50	3.8	\$7,019
CHATHAM	573	13	3.8	\$8,644
CHEROKEE	585	9	2.9	\$6,247
CHOWAN	204	0	#REF!	#REF!
CLAY	219	12	7.1	\$11,756
CLEVELAND	1,305	42	4.0	\$11,327
COLUMBUS	1,192	48	4.3	\$7,514
CRAVEN	1,112	18	5.3	\$9,353
CUMBERLAND	3,404	80	3.1	\$5,032
CURRITUCK	266	3	3.7	\$4,424
DARE	497	15	1.9	\$12,079
DAVIDSON	2,138	39	3.0	\$6,305
DAVIE	548	14	2.9	\$5,440
DUPLIN	989	19	2.7	\$5,532
DURHAM	2,870	41	7.2	\$11,046
EDGECOMBE	1,016	17	3.5	\$8,049
FORSYTH	3,375	70	3.8	\$6,088
FRANKLIN	981	24	3.3	\$5,156
GASTON	2,237	55	3.5	\$7,062
GATES	152	0	N/A	N/A
GRAHAM	239	8	2.3	\$4,776
GRANVILLE	724	17	3.6	\$8,035

Table 6
NC Health Choice
Utilization by County of Residence
October 2003 through September 2004

<u>County</u>	<u>Members</u>	<u>Admissions</u>	<u>Average Length of Stay</u>	<u>Average Charge per Admission</u>
GREENE	304	9	2.30	\$6,384
GUILFORD	4,850	101	3.50	\$5,897
HALIFAX	908	19	3.10	\$5,982
HARNETT	1,551	35	4.40	\$8,762
HAYWOOD	945	26	3.10	\$5,020
HENDERSON	1,688	57	4.80	\$8,184
HERTFORD	377	4	4.50	\$12,731
HOKE	630	4	2.00	\$4,073
HYDE	103	4	17.30	\$24,396
IREDELL	1,506	84	2.90	\$4,137
JACKSON	549	14	3.90	\$5,850
JOHNSTON	2,215	58	2.90	\$6,853
JONES	212	6	3.20	\$7,484
LEE	798	13	4.40	\$6,692
LENOIR	1,093	33	2.80	\$4,508
LINCOLN	722	13	4.30	\$13,942
MACON	733	15	3.60	\$4,558
MADISON	468	7	5.10	\$7,035
MARTIN	366	9	2.80	\$5,342
MECKLENBURG	8,625	124	4.20	\$8,401
MITCHELL	339	4	16.30	\$4,047
MONTGOMERY	558	7	2.90	\$3,823
MOORE	1,263	24	3.40	\$5,726
NASH	1,529	32	2.80	\$5,416
NEW HANOVER	2,085	31	2.90	\$7,248
NORTHAMPTON	304	8	3.10	\$8,619
ONSLOW	1,827	27	3.70	\$7,630
ORANGE	884	27	6.50	\$12,815
PAMLICO	238	1	2.00	\$2,314
PASQUOTANK	646	13	2.50	\$5,066
PENDER	825	31	2.50	\$8,260
PERQUIMANS	236	2	1.00	\$1,472
PERSON	519	15	4.50	\$13,450
PITT	1,823	25	2.60	\$9,050
POLK	324	8	3.60	\$6,094
RANDOLPH	2,173	67	5.90	\$11,423
RICHMOND	932	47	3.30	\$5,836
ROBESON	2,414	64	3.50	\$6,255
ROCKINGHAM	1,206	38	4.30	\$13,202

Table 6
NC Health Choice
Utilization by County of Residence
October 2003 through September 2004

<u>County</u>	<u>Members</u>	<u>Admissions</u>	<u>Average Length of Stay</u>	<u>Average Charge per Admission</u>
ROWAN	1,805	46	4.70	\$7,408
RUTHERFORD	947	21	4.10	\$5,480
SAMPSON	1,252	21	4.30	\$8,840
SCOTLAND	664	11	2.60	\$6,195
STANLY	869	30	3.20	\$6,356
STOKES	562	9	2.60	\$6,448
SURRY	1,297	28	3.80	\$6,095
SWAIN	517	20	3.00	\$4,379
TRANSYLVANIA	504	20	8.50	\$6,642
TYRRELL	139	1	2.00	\$5,209
UNION	1,744	53	2.80	\$5,946
VANCE	957	10	2.00	\$5,239
WAKE	7,318	115	4.30	\$7,384
WARREN	422	5	2.60	\$5,947
WASHINGTON	300	8	4.10	\$3,364
WATAUGA	617	27	2.80	\$6,234
WAYNE	2,055	39	2.80	\$5,568
WILKES	1,066	24	3.80	\$8,674
WILSON	1,411	20	3.90	\$7,478
YADKIN	487	11	2.40	\$8,962
YANCEY	431	11	3.50	\$5,904

Table 7
NC Health Choice
Inpatient Utilization Statistics for Mental Disorders¹
At Acute Care General Hospitals
October 2001 through September 2004

		Admissions	Days	Admissions/ 10000	Days/10000	Average Length of Stay	Average Allowed Charge/Adm.	Average Allowed Charge/Day
<u>Non Copay</u>	FY 2002	166	1,367	32.9	271.3	8.23	\$6,641	\$806
	FY 2003	206	1,359	32.3	213.2	6.60	\$5,886	\$892
	FY 2004	257	1,619	35.6	224.0	6.30	\$5,481	\$870
<u>Copay</u>	FY 2002	88	578	30.4	199.8	6.57	\$6,398	\$974
	FY 2003	101	735	26.4	192.1	7.28	\$6,549	\$900
	FY 2004	127	872	27.6	189.6	6.87	\$5,669	\$826
<u>Ext Coverage</u>	FY 2002	0	0	N/A	N/A	N/A	N/A	N/A
	FY 2003	0	0	N/A	N/A	N/A	N/A	N/A
	FY 2004	0	0	N/A	N/A	N/A	N/A	N/A
<u>Total</u>	FY 2002	254	1,945	32.0	245.0	7.66	\$6,557	\$856
	FY 2003	307	2,094	30.1	205.1	6.82	\$6,104	\$895
	FY 2004	384	2,491	32.4	210.5	6.49	\$5,543	\$855
<u>Norm</u>		--	--	16.5	136.3	8.00	\$6,846	\$830

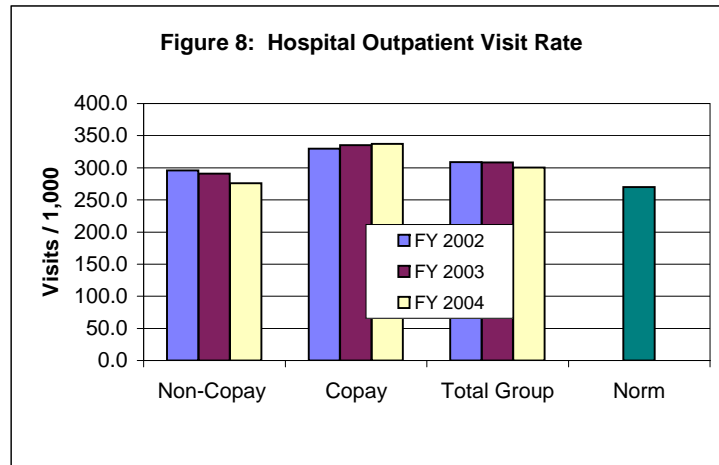
¹ Outlier claims (claims with a length of stay greater than 50 days or a total charge greater than \$30,000) have been excluded from these calculations.

Table 8
NC Health Choice
Inpatient Utilization Statistics for Mental Disorders¹
At Psychiatric Hospitals
October 2001 through September 2004

		Admissions	Days	Admissions/ 10000	Days/10000	Average Length of Stay	Average Allowed Charge/Adm.	Average Allowed Charge/Day
<u>Non Copay</u>	FY 2002	120	1,361	15.1	171.4	11.34	\$6,603	\$582
	FY 2003	187	1,834	18.3	179.7	9.81	\$6,654	\$678
	FY 2004	195	1,599	16.5	135.1	8.20	\$6,329	\$772
<u>Copay</u>	FY 2002	80	735	10.1	92.6	9.19	\$5,425	\$590
	FY 2003	84	775	8.2	75.9	9.23	\$6,332	\$686
	FY 2004	110	1,208	9.3	102.1	10.98	\$7,284	\$663
<u>Ext Coverage</u>	FY 2002	0	0	N/A	N/A	N/A	N/A	N/A
	FY 2003	1	4	N/A	N/A	N/A	N/A	N/A
	FY 2004	0	0	N/A	N/A	N/A	N/A	N/A
<u>Total</u>	FY 2002	200	2,096	25.2	264.0	10.48	\$6,132	\$585
	FY 2003	272	2,613	26.6	256.0	9.61	\$6,541	\$681
	FY 2004	305	2,807	25.8	237.2	9.20	\$6,673	\$725
<u>Norm</u>		--	--	10.6	84.1	8.00	\$5,584	\$705

¹ Outlier claims (claims with a length of stay greater than 50 days or a total charge greater than \$30,000) have been excluded from these calculations.

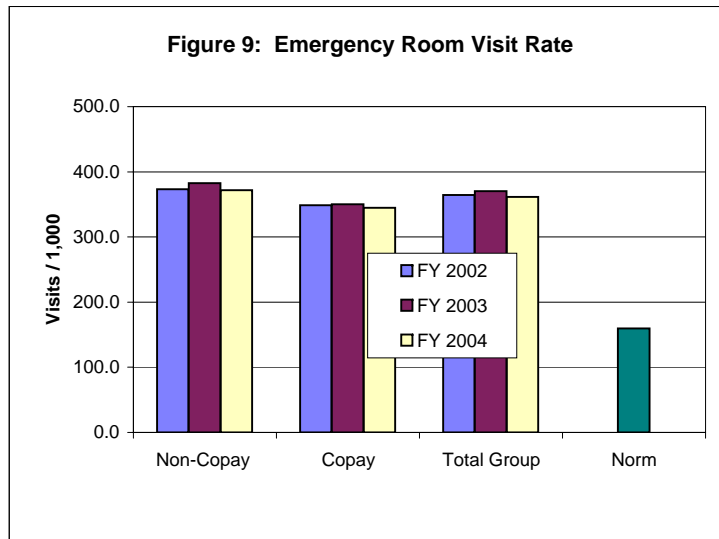
NC Health Choice Institutional Outpatient Utilization and Charges October 2001 through September 2004



Utilization of the hospital outpatient setting decreased 3 percent to 300.4 visits per 1,000 members in FY 2004 (Table 9). Utilization was 11 percent above the norm.

The visit rate for the Non-Copay segment fell 5 percent, while the Copay visit rate was unchanged. The Copay visit rate remained above that of the Non-Copay segment.

The average charge per visit was \$991. This was higher than that of FY 2003 (\$958) and was less than the norm (\$967). The average charge increased for both segments



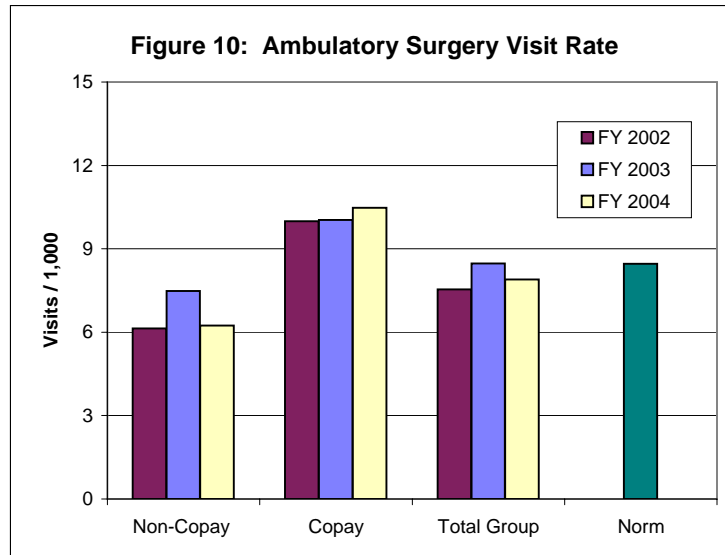
For the emergency room (ER) setting, utilization decreased 3 percent to 361.4 visits per 1,000 members in FY 2004.

The ER visit rate was fairly stable for the Copay segment, and fell by only 3 percent for the Non-Copay segment. The visit rate for the total group remained well above the norm (126 percent higher).

Use of the ER setting for non-emergencies remained high (see Table 10) especially among the Non-Copay members.

There was a 9 percent increase in the average charge to \$566 per visit in FY 2004. This was 22 percent below the norm (\$723). The average charge increased for both segments in this setting.

NC Health Choice Institutional Outpatient Utilization and Charges October 2001 through September 2004



The visit rate for the ambulatory surgery setting decreased 7 percent to 7.9 visits per 1,000 members in FY 2004 (Table 9). This decrease was due to a 17 percent fall in utilization among Non-Copay members.

Utilization by Copay members continued to exceed that of Non-Copay members.

The average charge per visit remained stable and was 8 percent above the norm.

Utilization by Copay members exceeded the norm in all three settings. The average charge per visit was below the norm in the ER and hospital outpatient settings, but above the norm for the ambulatory surgery setting.

For the Non-Copay segment, utilization exceeded the norm in the ER setting, was comparable to the hospital outpatient norm, and was below its norm in the ambulatory surgery setting. The average charge was below the norm in all settings except the ambulatory surgery setting.

Table 9
NC Health Choice
Institutional Outpatient Utilization and Charge Statistics
October 2001 through September 2004

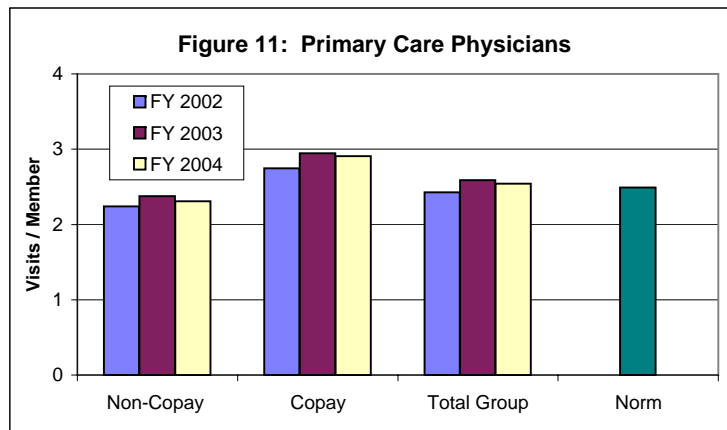
		Hospital Outpatient Dept.			Emergency Room			Ambulatory Surgical Centers		
		Visits	Visits/ 1,000	Av. Charge per Visit	Visits	Visits/ 1,000	Av. Charge per Visit	Visits	Visits/ 1,000	Av. Charge per Visit
<u>Non-Copay</u>	FY 2002	14,921	296.1	\$874	18,820	373.5	\$482	309	6.1	\$2,572
	FY 2003	18,549	291.1	\$948	24,381	382.6	\$518	477	7.5	\$2,762
	FY 2004	19,962	276.2	\$971	26,875	371.8	\$565	451	6.2	\$2,744
<u>Copay</u>	FY 2002	9,543	329.8	\$915	10,089	348.7	\$478	289	10.0	\$2,385
	FY 2003	12,829	335.3	\$972	13,405	350.4	\$522	384	10.0	\$2,572
	FY 2004	15,502	337.1	\$1,015	15,866	345.0	\$567	482	10.5	\$2,749
<u>Ext Coverage</u>	FY 2002	58	N/A	N/A	22	N/A	N/A	1	N/A	N/A
	FY 2003	73	N/A	N/A	31	N/A	N/A	4	N/A	N/A
	FY 2004	88	N/A	N/A	30	N/A	N/A	2	N/A	N/A
<u>Total Group</u>	FY 2002	24,522	308.8	\$891	28,931	364.4	\$481	599	7.5	\$2,480
	FY 2003	31,451	308.1	\$958	37,817	370.5	\$519	865	8.5	\$2,679
	FY 2004	35,552	300.4	\$991	42,771	361.4	\$566	935	7.9	\$2,744
<u>Norm</u>		--	269.9	\$967	--	159.7	\$723	--	8.5	\$2,530

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Table 10
NC Health Choice
Emergency Room Utilization Statistics
October 2001 through September 2004

		<u>Total ER Utilization</u>			<u>Emergent</u>			<u>Urgent</u>			<u>Non-Urgent</u>		
		Visits	Visits/ 1,000	Charge per Visit	Visits	Visits/ 1,000	Charge per Visit	Visits	Visits/ 1,000	Charge per Visit	Visits	Visits/ 1,000	Charge per Visit
Non-Copay	FY 2002	18,820	373.5	\$482	3,650	72.4	\$736	7,907	156.9	\$462	7,262	144.1	\$375
	FY 2003	18,820	382.6	\$518	4,570	71.7	\$784	10,461	164.1	\$502	9,343	146.6	\$405
	FY 2004	26,875	371.8	\$565	5,146	71.2	\$855	11,189	154.8	\$561	10,522	145.6	\$428
Copay	FY 2002	10,089	348.7	\$478	2,161	74.7	\$725	4,370	151.0	\$441	3,557	122.9	\$374
	FY 2003	13,405	350.4	\$522	2,728	71.3	\$789	6,128	160.2	\$493	4,546	118.8	\$400
	FY 2004	15,866	345.0	\$567	3,235	70.3	\$877	6,847	148.9	\$542	5,774	125.5	\$424
Extended Coverage	FY 2002	22	N/A	N/A	6	N/A	N/A	10	N/A	N/A	6	N/A	N/A
	FY 2003	31	N/A	N/A	4	N/A	N/A	16	N/A	N/A	11	N/A	N/A
	FY 2004	30	N/A	N/A	4	N/A	N/A	10	N/A	N/A	16	N/A	N/A
Total	FY 2002	28,931	364.4	\$481	5,817	73.3	\$732	12,287	154.7	\$455	10,825	136.3	\$375
	FY 2003	37,817	370.5	\$519	7,302	71.5	\$786	16,605	162.7	\$499	13,900	136.2	\$403
	FY 2004	42,771	361.4	\$566	8,385	70.8	\$864	18,046	152.5	\$553	16,312	137.8	\$426
Norm		--	159.7	\$723	--	43.3	\$1,029	--	62.8	\$687	--	53.4	\$515

NC Health Choice Office Setting Utilization October 2001 through September 2004

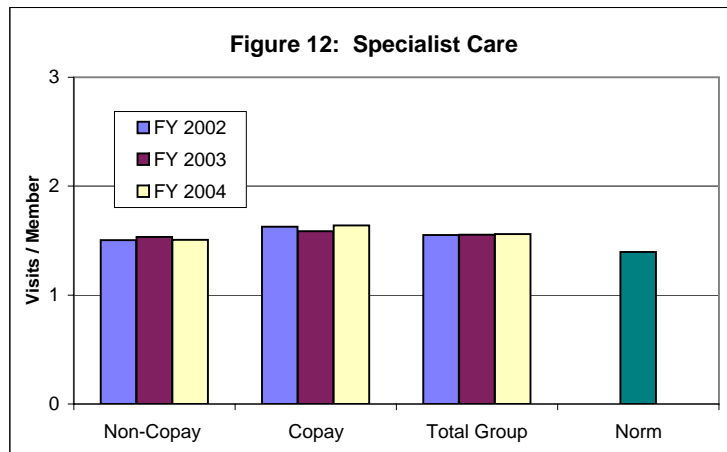


The primary care visit rate for the total group remained stable at 2.5 visits per 1,000 members (Table 11). The rate was comparable to the norm.

The visit rates for the Non-Copay members decreased 3 percent while that of the Copay members remained stable at 2.9 visits per member.

Top diagnoses included health supervision of infant or child, acute upper respiratory infections, acute pharyngitis, and ear infections

The average charge per visit increased to \$76 in FY 2004 for the total group.



The specialist care visit rate for the total group remained stable at 1.6 visits per 1,000 members. The rate was slightly above the norm.

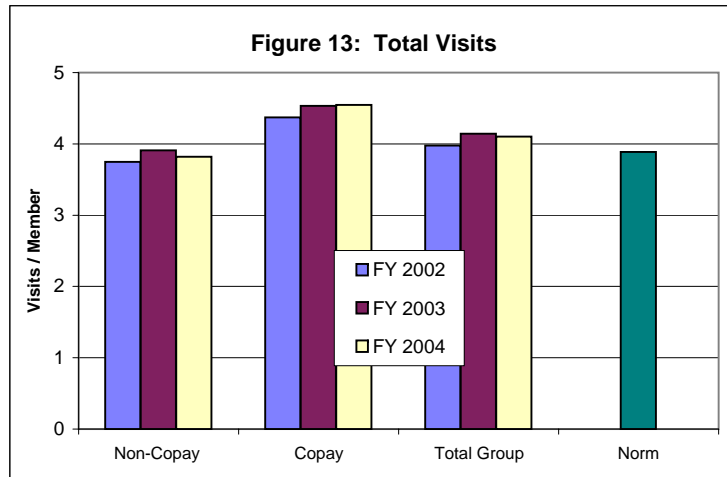
Both segments had fairly stable visit rates during FY 2004.

Top diagnoses were vision disorders and allergic rhinitis.

The most frequently visited specialists were optometrists followed by ear, nose, and throat specialists.

The average charge per specialty visit increased to \$112.

NC Health Choice Office Setting Utilization October 2001 through September 2004



The office visit rate for the total group remained stable at 4.1 visits per member. The rate was 6 percent above the norm.

The visit rate for the Non-Copay members remained stable as did that of the Copay segment in FY 2004.

The average charge per office visit in FY 2004 was \$90, an increase of \$4 since FY 2003. The norm was \$89.

The visit rate for the outpatient mental health setting decreased in FY 2004 (Table 12). Although the rate fell for both segments, the decrease was more pronounced among Non-Copay members. Utilization was above the norm

The total group experienced a decrease in the visit rate for each of the three types of mental health visits, and in each case except alcohol abuse, the total group's visit rate was above the norm.

Among members having at least one outpatient mental health visit, the visit rate decreased for each type of visit and was higher than the norm except for the Copay segment's alcohol abuse visit rate.

Decreases may simply reflect insufficient claims runout time.

Table 11
NC Health Choice
Office Utilization and Charge Statistics
October 2001 through September 2004

		<u>Total</u>			<u>Primary Care</u>			<u>Specialist Care</u>		
		Visits	Visits/ person	Charge per Visit	Visits	Visits/ person	Charge per Visit	Visits	Visits/ person	Charge per Visit
Non-Copay	FY 2002	188,750	3.7	\$81	112,906	2.2	\$66	75,844	1.5	\$103
	FY 2003	249,047	3.9	\$87	151,338	2.4	\$72	97,709	1.5	\$109
	FY 2004	275,936	3.8	\$91	166,980	2.3	\$77	108,956	1.5	\$113
Copay	FY 2002	126,505	4.4	\$79	79,411	2.7	\$67	47,094	1.6	\$99
	FY 2003	173,352	4.5	\$85	112,624	2.9	\$73	60,728	1.6	\$107
	FY 2004	209,169	4.5	\$89	133,716	2.9	\$76	75,453	1.6	\$111
Extended Coverage	FY 2002	565	N/A	N/A	305	N/A	N/A	260	N/A	N/A
	FY 2003	676	N/A	N/A	416	N/A	N/A	260	N/A	N/A
	FY 2004	698	N/A	N/A	323	N/A	N/A	375	N/A	N/A
Total	FY 2002	315,820	4.0	\$80	192,622	2.4	\$66	123,198	1.6	\$101
	FY 2003	423,075	4.1	\$86	264,378	2.6	\$72	158,697	1.6	\$108
	FY 2004	485,803	4.1	\$90	301,019	2.5	\$76	184,784	1.6	\$112
Norm		--	3.9	\$89	--	2.5	\$79	--	1.4	\$106

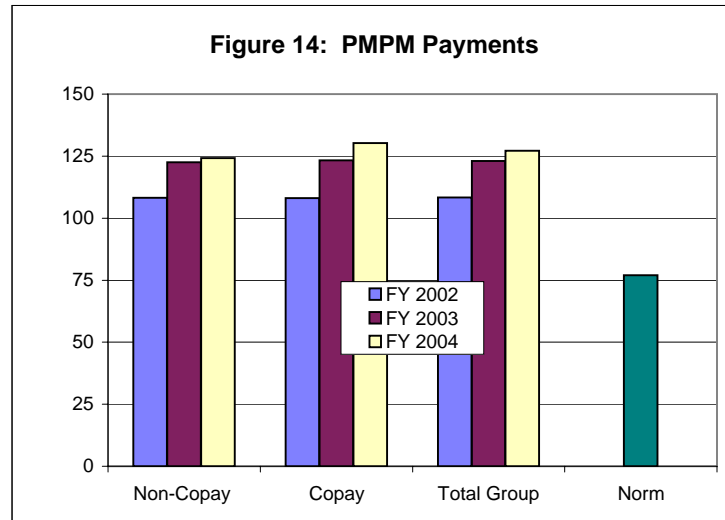
Actuarial and Underwriting
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Table 12
NC Health Choice
Outpatient Mental Health Utilization Statistics
October 2001 through September 2004

		Mental Health		Alcohol Abuse		Drug Abuse		Grand Total	
		Visits/ 1,000	Visits/ Member with at least One Visit	Visits/ 1,000	Visits/ Member with at least One Visit	Visits/ 1,000	Visits/ Member with at least One Visit	Visits/ 1,000	Visits/ Member with at least One Visit
Non- Copoly	FY 2002	854.1	6.5	3.7	3.9	17.6	5.2	875.3	6.6
	FY 2003	888.4	6.8	4.5	8.9	29.5	11.8	922.3	6.9
	FY 2004	728.7	5.7	2.1	7.5	11.6	6.5	742.4	5.8
Copoly	FY 2002	816.1	6.5	1.7	4.2	22.6	8.1	840.4	6.6
	FY 2003	835.9	6.8	0.9	2.2	16.5	7.3	853.3	6.9
	FY 2004	741.0	6.1	0.3	1.5	8.2	5.9	749.6	6.1
Total	FY 2002	841.2	6.5	3.0	3.9	19.4	6.2	863.5	6.6
	FY 2003	870.7	6.8	3.1	6.6	24.6	10.2	898.4	6.9
	FY 2004	735.0	5.8	1.4	5.5	10.3	6.3	746.7	5.9
Norm		430.7	5.2	2.3	4.8	5.2	4.7	438.2	5.3

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NC Health Choice Payments Per Member Per Month October 2001 through September 2004



The payment per member per month (PMPM) for the total group increased during FY 2004 to \$127.23 (Table 13). This was higher than norm

Payments PMPM for the Non-Copay segment remained stable and those of the Copay segment increased 6 percent.

For the Non-Copay segment, professional payments PMPM grew by \$1, reflecting a rise in payments for prescription drugs.

For the Copay members, institutional payments remained stable. Professional payments increased \$6 PMPM due to higher payments for office visits and prescription drugs.

Institutional payments for both segments were greater than the norm, as were professional payments.

Payments PMPM for most diagnostic categories were higher than the norm (Table 15). Payments for mental disorders, nervous system diseases, respiratory diseases, digestive diseases, ill-defined conditions, injury and poisoning, and "other" (including drugs) were significantly higher than the norm. Payments PMPM for congenital anomalies and perinatal conditions were well below the norm.

Dental payments (which were not included in the figures above) were \$19.54 per member per month in FY 2004 (Table 16). Payments increased by about \$2 PMPM since FY 2003 (data not shown).

Payments for special needs claims amounted to \$6.16 PMPM in FY 2004, an increase of less than \$1 PMPM.

Payments for costly admissions (admissions which incurred payments greater than \$50,000) fell by about \$1 PMPM (Tables 17 & 18). This number may grow as more claims are processed.

Table 13
NC Health Choice
Per Member per Month Payments, by Place of Service
October 2001 through September 2004

		<u>Institutional</u>					<u>Professional</u>					<u>Grand Total</u>	
		<u>Acute Care</u>		<u>Specialty</u>		<u>Total</u>						<u>Total</u>	
		<u>Inpatient</u>	<u>Outpatient</u>	<u>Inpatient</u>	<u>Outpatient</u>	<u>Institutional</u>	<u>Inpatient</u>	<u>Outpatient</u>	<u>Office</u>	<u>Drugs</u>	<u>Other</u>	<u>Professional</u>	
Non-Copay	FY 2002	\$10.73	\$25.97	\$2.07	\$0.77	\$39.53	\$3.35	\$10.93	\$32.47	\$19.29	\$2.59	\$68.62	\$108.15
	FY 2003	\$11.01	\$28.95	\$2.07	\$0.76	\$42.79	\$3.27	\$10.63	\$36.70	\$24.33	\$4.85	\$79.79	\$122.57
	FY 2004	\$10.65	\$30.15	\$1.94	\$0.67	\$43.41	\$3.36	\$10.33	\$35.79	\$26.07	\$5.25	\$80.80	\$124.22
Copay	FY 2002	\$10.20	\$27.10	\$1.10	\$0.93	\$39.34	\$3.61	\$11.39	\$33.62	\$15.97	\$4.17	\$68.76	\$108.10
	FY 2003	\$11.73	\$30.81	\$1.65	\$0.56	\$44.76	\$3.33	\$11.24	\$37.61	\$20.29	\$6.09	\$78.56	\$123.31
	FY 2004	\$9.80	\$33.10	\$2.06	\$0.66	\$45.63	\$3.29	\$11.45	\$39.05	\$25.19	\$5.72	\$84.69	\$130.32
Ext Cov	FY 2002	\$20.81	\$68.07	\$0.00	\$0.11	\$88.98	\$6.45	\$28.09	\$64.98	\$50.63	\$28.71	\$178.85	\$267.83
	FY 2003	\$9.44	\$70.14	\$2.10	\$0.08	\$81.76	\$1.63	\$17.53	\$75.38	\$58.14	\$80.26	\$232.94	\$314.70
	FY 2004	\$40.30	\$132.07	\$0.00	\$0.00	\$172.37	\$17.63	\$29.43	\$76.49	\$79.96	\$622.62	\$826.13	\$998.50
Total	FY 2002	\$10.54	\$26.42	\$1.71	\$0.83	\$39.51	\$3.44	\$11.11	\$32.92	\$18.11	\$3.19	\$68.78	\$108.29
	FY 2003	\$11.28	\$29.68	\$1.91	\$0.68	\$43.56	\$3.29	\$10.86	\$37.08	\$22.85	\$5.38	\$79.46	\$123.02
	FY 2004	\$10.34	\$31.37	\$1.98	\$0.67	\$44.37	\$3.34	\$10.78	\$37.09	\$25.77	\$5.89	\$82.87	\$127.23
Norm		\$15.11	\$17.01	\$0.90	\$1.21	\$34.22	\$5.01	\$5.72	\$15.15	\$13.93	\$2.98	\$42.79	\$77.01

Table 14
NC Health Choice
Total Payments by Place of Service
October 2001 through September 2004

		<u>Institutional</u>					<u>Professional</u>					<u>Grand Total</u>	
		<u>Acute Care</u>		<u>Specialty</u>		<u>Total Institutional</u>						<u>Total</u>	
		<u>Inpatient</u>	<u>Outpatient</u>	<u>Inpatient</u>	<u>Outpatient</u>		<u>Inpatient</u>	<u>Outpatient</u>	<u>Office</u>	<u>Drugs</u>	<u>Other</u>	<u>Professional</u>	
Non-Copay	FY 2002	\$6,486,590	\$15,703,513	\$1,250,759	\$465,718	\$23,906,580	\$2,023,379	\$6,607,811	\$19,631,641	\$11,663,449	\$1,566,701	\$41,492,983	\$65,399,563
	FY 2003	\$8,421,452	\$22,137,146	\$1,584,811	\$578,766	\$32,722,174	\$2,502,487	\$8,131,600	\$28,066,646	\$18,607,843	\$3,708,738	\$61,017,314	\$93,739,489
	FY 2004	\$9,235,696	\$26,151,687	\$1,678,573	\$584,669	\$37,065,956	\$2,911,893	\$8,958,151	\$31,043,208	\$22,612,394	\$4,557,669	\$70,083,315	\$107,149,271
Copay	FY 2002	\$3,541,329	\$9,410,436	\$382,793	\$324,004	\$13,658,561	\$1,251,703	\$3,954,661	\$11,672,937	\$5,546,119	\$1,449,380	\$23,874,800	\$37,533,361
	FY 2003	\$5,385,841	\$14,147,354	\$756,481	\$258,495	\$20,548,171	\$1,527,115	\$5,158,152	\$17,266,241	\$9,316,702	\$2,797,293	\$36,065,502	\$56,613,673
	FY 2004	\$5,407,873	\$18,268,936	\$1,139,364	\$365,318	\$25,181,490	\$1,813,889	\$6,318,177	\$21,553,842	\$13,901,073	\$3,155,884	\$46,742,865	\$71,924,355
Ext Cov	FY 2002	\$18,746	\$61,329	\$0	\$98	\$80,172	\$5,812	\$25,305	\$58,543	\$45,619	\$25,866	\$161,145	\$241,318
	FY 2003	\$10,502	\$77,992	\$2,331	\$91	\$90,916	\$1,815	\$19,490	\$83,828	\$64,656	\$89,244	\$259,032	\$349,948
	FY 2004	\$42,397	\$138,935	\$0	\$0	\$181,332	\$18,544	\$30,965	\$80,467	\$84,116	\$655,000	\$869,092	\$1,050,424
Total	FY 2002	\$10,046,665	\$25,175,277	\$1,633,552	\$789,820	\$37,645,314	\$3,280,895	\$10,587,778	\$31,363,121	\$17,255,188	\$3,041,947	\$65,528,928	\$103,174,242
	FY 2003	\$13,817,795	\$36,362,492	\$2,343,622	\$837,352	\$53,361,261	\$4,031,416	\$13,309,241	\$45,416,715	\$27,989,202	\$6,595,274	\$97,341,848	\$150,703,110
	FY 2004	\$14,685,965	\$44,559,559	\$2,817,937	\$949,987	\$63,013,448	\$4,744,326	\$15,307,293	\$52,677,517	\$36,597,584	\$8,368,553	\$117,695,272	\$180,708,720

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Table 15
NC Health Choice
PMPM Payments by Diagnostic Category
October 2003 through September 2004

	<u>Total Payments</u>	<u>Payments per Member per</u>	
	<u>NCHC</u>	<u>Month</u>	<u>Month</u>
	<u>NCHC</u>	<u>NCHC</u>	<u>Norm</u>
Infectious and Parasitic Diseases	\$4,044,424	\$2.85	\$0.87
Neoplasms	\$3,929,818	\$2.77	\$2.56
Endocrine, Nutritional and Metabolic Diseases and Immunity Diseases	\$2,786,225	\$1.96	\$1.60
Diseases of Blood and Blood-Forming Organs	\$2,756,949	\$1.94	\$1.72
Mental Disorders	\$19,709,083	\$13.88	\$4.30
Diseases of the Nervous System and Sense Organs	\$14,795,927	\$10.42	\$4.40
Circulatory Diseases	\$1,038,524	\$0.73	\$1.14
Respiratory Diseases	\$20,359,447	\$14.34	\$5.71
Digestive Diseases	\$8,996,922	\$6.33	\$2.91
Genitourinary Diseases	\$5,052,712	\$3.56	\$1.95
Pregnancies	\$298,205	\$0.21	\$0.34
Skin Diseases	\$3,061,728	\$2.16	\$0.71
Musculoskeletal Diseases	\$7,952,342	\$5.60	\$3.98
Congenital Anomalies	\$3,130,722	\$2.20	\$3.84
Perinatal Conditions	\$86,713	\$0.06	\$8.19
Ill-Defined Conditions	\$16,667,844	\$11.74	\$4.81
Injury and Poisoning	\$19,809,937	\$13.95	\$8.12
Other (Includes Drugs)	\$44,365,696	\$31.24	\$19.79

Table 16
NC Health Choice
Frequency and Costs of Select Office Procedures
October 2003 through September 2004

	<u>Non-Copay</u>	<u>Copay</u>	<u>Total Group</u>
Dental			
Claims	238,598	144,727	383,632
Payments PMPM	\$19.83	\$19.08	\$19.54
Hearing			
Claims	86	50	136
Payments PMPM	\$0.03	\$0.03	\$0.03
Immunization			
Claims	9,333	13,215	22,563
Payments PMPM	\$0.13	\$0.29	\$0.19
Vision			
Claims	36,187	19,634	55,863
Payments PMPM	\$2.89	\$2.43	\$2.72
Well Child			
Claims	22,351	20,741	43,092
Payments PMPM	\$2.20	\$3.13	\$2.56
Special Needs ¹			
Claims	31,187	19,497	50,730
Payments PMPM	\$6.15	\$6.17	\$6.16

¹ Includes institutional as well as professional claims.

Table 17
NC Health Choice
Costly Admissions¹ to Acute Care Hospitals
October 2002 through September 2003

<u>Diagnosis</u>	<u>APDRG</u>	<u>Age</u>	<u>Sex</u>	<u>Length of Stay</u>	<u>Charged</u>	<u>Paid</u>	<u>Provider</u>	<u>Transplant</u>	<u>Segment</u>
CEREBRAL ARTERY OCCLUS NOS W/I	483	17	M	113	\$501,452	\$336,307	NORTH CAROLINA BAPTIST HOSPITAL		Copay
CHRONIC HEPATITIS NEC	480	14	M	82	\$423,929	\$270,476	U N C HOSPITALS	LIVER	Copay
ACUTE PANCREATITIS	556	15	F	84	\$131,635	\$201,020	NORTH CAROLINA BAPTIST HOSPITAL		Non-Copay
BRAIN HEMORRHAGE NEC, DEEP COM	483	15.99	F	33	\$205,464	\$162,078	CAPE FEAR VALLEY MEDICAL CENTER		Copay
AC LYMPHOID LEUKEMIA W/O REMIS	803	17	M	38	\$320,789	\$159,576	DUKE UNIVERSITY HOSPITAL	BONE MARROW	Non-Copay
T7-T12 FX-OPEN, CORD INJURY NO	483	18	M	30	\$235,295	\$152,929	DUKE UNIVERSITY HOSPITAL		Non-Copay
CLOSED SKULL BASE FX, COMA NOS	483	15	M	28	\$133,515	\$148,579	PITT COUNTY MEMORIAL HOSPITAL		Copay
LYMPHOMA NEC, ABDOMEN	579	13	M	62	\$253,314	\$116,573	PITT COUNTY MEMORIAL HOSPITAL		Non-Copay
AORTIC VALVE DISORDER	545	12	M	28	\$755,303	\$103,246	NORTH CAROLINA BAPTIST HOSPITAL		Non-Copay
2ND DEG BURN TRUNK, CHEST WALL	827	1	M	19	\$99,029	\$93,881	U N C HOSPITALS		Copay
SUPPURAT PERITONITIS NEC	585	12	F	47	\$163,134	\$82,557	U N C HOSPITALS		Copay
TRAUMATIC BRAIN HEMORRHAGE NEC	733	16	F	46	\$55,828	\$81,013	WAKEMED RALEIGH CAMPUS		Copay
2ND DEG BURN, LEG MULT SITES	828	7	M	27	\$96,339	\$73,124	CHILDRENS HOSP OF THE KINGS DAUGHT		Non-Copay
REHABILITATION PROCEDURES NEC	462	15	M	44	\$86,326	\$72,733	PITT COUNTY MEMORIAL HOSPITAL		Copay
HTN RENAL NOS W/RENAL FAILURE	302	18	M	6	\$69,768	\$72,498	NORTH CAROLINA BAPTIST HOSPITAL	KIDNEY	Non-Copay
3RD DEG BURN TRUNK, CHEST WALL	823	10	M	23	\$76,915	\$69,672	U N C HOSPITALS		Non-Copay
CLOSED SKULL VAULT FX W/O COMA	793	15	F	13	\$126,700	\$66,864	CAROLINAS MEDICAL CENTER		Non-Copay
HTN RENAL NOS W/RENAL FAILURE	302	18	M	7	\$74,358	\$66,826	CAROLINAS MEDICAL CENTER	KIDNEY	Copay
CEREBRAL ARTERY OCCLUS NOS W/I	530	13	M	29	\$191,479	\$64,796	CAROLINAS MEDICAL CENTER		Non-Copay
ACUTE MYELOID LEUKEMIA W/O REM	576	16	M	38	\$218,480	\$63,162	DUKE UNIVERSITY HOSPITAL		Non-Copay
FX FEMUR SHAFT, CLOSED	793	14	F	9	\$99,295	\$60,431	PITT COUNTY MEMORIAL HOSPITAL		Non-Copay
CEREBROVASCULAR SYSTEM ANOMALY	739	10	F	9	\$91,291	\$59,693	CHILDRENS HOSP OF THE KINGS DAUGHT		Non-Copay
REACTION, NEURO DEVICE/GRAFT	738	2	F	20	\$97,223	\$58,797	U N C HOSPITALS		Copay
IDIOPATHIC SCOLIOSIS	558	10	M	20	\$151,449	\$53,563	DUKE UNIVERSITY HOSPITAL		Copay
2ND DEG BURN TRUNK NEC	827	12	M	3	\$74,819	\$53,257	HUMANA HOSP AUGUSTA		Non-Copay
ACUTE NECROSIS OF LIVER	556	6	M	21	\$99,793	\$52,812	U N C HOSPITALS		Copay
PULMONARY VALVE DISORDER	105	18	M	4	\$95,682	\$52,661	DUKE UNIVERSITY HOSPITAL		Copay
SPLEEN DISRUPTION, CLOSED	793	11	F	12	\$87,572	\$51,700	CAROLINAS MEDICAL CENTER		Non-Copay
HYPOPLAS LEFT HEART SYND	809	1	F	13	\$146,658	\$51,601	DUKE UNIVERSITY HOSPITAL		Copay
TOTALS					\$5,162,831	\$2,952,426			

¹ Admissions with payments exceeding \$50,000.

Table 18
NC Health Choice
Costly Admissions¹ to Acute Care Hospitals
October 2003 through September 2004

<u>Diagnosis</u>	<u>APDRG</u>	<u>Age</u>	<u>Sex</u>	<u>Length of Stay</u>	<u>Charged</u>	<u>Paid</u>	<u>Provider</u>	<u>Transplant</u>	<u>Segment</u>
3RD DEG BURN MULT SITE	821	13	F	56	\$474,454	\$357,245	NORTH CAROLINA BAPTIST HOSPITAL		Non-Copay
3RD DEG BURN MULT SITE	821	16	F	43	\$330,378	\$262,274	NORTH CAROLINA BAPTIST HOSPITAL		Non-Copay
MYONEURAL DISORDERS NOS	483	12	F	49	\$350,152	\$165,182	PRESBYTERIAN HOSPITAL		Non-Copay
ACUTE MYELOID LEUKEMIA IN REMI	803	4	M	38	\$242,301	\$153,700	DUKE UNIVERSITY HOSPITAL	BONE MARROW	Non-Copay
CLOSED SKULL BASE FX W/O COMA	483	16	M	43	\$235,563	\$143,401	MISSIONS HOSPITAL INC		Non-Copay
MAINTENANCE CHEMOTHERAPY	410	4	M	39	\$92,696	\$89,688	U N C HOSPITALS		Copay
CHRONIC RENAL FAILURE	302	11	F	6	\$107,189	\$85,993	CAROLINAS MEDICAL CENTER	KIDNEY	Non-Copay
LOWER NEPHRON NEPHROSIS	483	15	F	18	\$156,341	\$75,825	CAROLINAS MEDICAL CENTER		Copay
MAINTENANCE CHEMOTHERAPY	410	17	M	28	\$159,069	\$67,023	NORTH CAROLINA BAPTIST HOSPITAL		Non-Copay
TRAUM PNEUMOTHORAX-CLOSE	793	17.03	M	13	\$268,585	\$66,601	NEW HANOVER REGIONAL MEDICAL CENTER		Non-Copay
AC LYMPHOID LEUKEMIA W/O REMIS	576	3	M	47	\$227,416	\$66,567	U N C HOSPITALS		Copay
ACUTE MYELOID LEUKEMIA W/O REM	576	13	M	31	\$213,130	\$65,912	DUKE UNIVERSITY HOSPITAL		Non-Copay
FX C6 VERTEBRA, CLOSED	793	7	M	25	\$122,725	\$63,118	CAROLINAS MEDICAL CENTER		Non-Copay
IDIOPATHIC SCOLIOSIS	806	9	M	10	\$142,101	\$62,167	CAROLINAS MEDICAL CENTER		Non-Copay
OTHER PULMONARY INSUFFICIENCY	538	13	F	23	\$456,048	\$60,720	NORTH CAROLINA BAPTIST HOSPITAL		Non-Copay
CONG FACTOR VIII DIORD	760	3	M	8	\$60,985	\$59,051	NORTH CAROLINA BAPTIST HOSPITAL		Copay
CLOSED SKULL VAULT FX W/O COMA	530	6	M	9	\$83,517	\$58,606	CAROLINAS MEDICAL CENTER		Non-Copay
COMPRESSION OF BRAIN	530	13	F	10	\$107,107	\$57,641	U N C HOSPITALS		Non-Copay
IDIOPATHIC SCOLIOSIS	806	17	F	5	\$145,369	\$57,540	CAROLINAS MEDICAL CENTER		Non-Copay
BURKITT'S TUMOR, INTRA-ABDOMIN	578	14	M	41	\$121,702	\$56,502	MISSIONS HOSPITAL INC		Non-Copay
DISLOCATION ANKLE-OPEN	217	7	F	29	<u>\$120,058</u>	<u>\$55,311</u>	NORTH CAROLINA BAPTIST HOSPITAL		Copay
TOTAL					\$4,216,887	\$2,130,068			

1 Admissions with payments exceeding \$50,000.